



San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

Laguna Honda Hospital Executive Team Report

March 21, 2023



Status Update



The Path to CMS Recertification

- In April 2022, the Centers for Medicare and Medicaid Services (CMS), terminated Laguna Honda's participation in the Medicare and Medicaid Provider Participation Programs.
- Laguna Honda is dedicated to successful recertification in Medicare and Medicaid to continue providing care to our residents and bring long-term stability to our community.
- We continue to work hard to meet all regulatory requirements and make rapid improvements to prepare for recertification.
- This includes long-term operational, institutional, and cultural changes needed to achieve recertification and to ensure the long-term success of the hospital.
- Between the Laguna Honda staff and our expert consultants, we are confident we have the team in place for a successful recertification.



Status Update



Settlement Agreement with CDPH and CMS – Extended Payments and Closure Plan Pause

- On November 10, 2022, the City and County of San Francisco signed the Settlement and Systems Improvement Agreement with CMS and the California Department of Public Health.
- Under the agreement, CMS will continue paying for care at Laguna Honda until November 13, 2023.
- **On February 1, 2023, CMS agreed to the City's request to continue the pause of involuntary discharges and transfers of Laguna Honda residents until at least May 19, 2023.**
- This is the humane and compassionate path forward for our residents, their families, our staff, and all those who care about Laguna Honda.



Path to Recertification



Hosting U.S. Department of Health and Human Services Secretary Xavier Becerra

- On February 24, SFDPH leadership and Mayor London Breed hosted the U.S. Department of Health and Human Services Secretary Xavier Becerra for a tour of Laguna Honda.
- During the tour, the Secretary had the opportunity to meet residents, staff, union leadership, and family members. He visited the Rehabilitation Department and North 4 to see firsthand the many improvements.
- We feel optimistic that Secretary Becerra and our federal partners left the visit with a deeper understanding of our commitment to improvement, our dedication to our residents, and the indispensable role we play in San Francisco.



Path to Recertification



Root Cause Analysis and Quality Improvement Expert

- As part of the settlement agreement with CMS, Laguna Honda was required to engage a Quality Improvement Expert (QIE) to assess our progress on recertification.
- Health Services Advisory Group (HSAG) is serving as our QIE. As the QIE, HSAG was instructed to develop a Root Cause Analysis (RCA) that reviewed many past LHH surveys, including the mock survey.
- The RCA describes in detail the reasons behind our decertification and highlights key areas that need to be addressed.
- The theme throughout the RCA is that over time, Laguna Honda policies and practices have become out of sync with high performing skilled nursing homes, and we often operated more like an acute care hospital.



Path to Recertification



90-Day CMS Monitoring Surveys

- As part of the settlement agreement, CMS will conduct monitoring surveys every 90 days. These are unannounced, extensive, full recertification surveys.
- The first monitoring survey began on November 28th and concluded on December 16th.
- The second monitoring survey began on March 13th and is currently underway.
- Laguna Honda staff work collaboratively with the survey teams to ensure they have everything they need. Items noted during the survey process are addressed in real time.
- **Each CMS 90-day monitoring survey requires a new root cause analysis.**



Path to Recertification



Action Plan and Updated Path to Recertification

- In response to the original RCA, and the RCA of the first 90-day CMS monitoring survey, Laguna Honda, with assistance from the QIE, developed an Action Plan.
- On February 21, CMS communicated that it approved the draft Action Plan, but asked for additional edits. LHH submitted an updated draft on March 2, and CMS confirmed on March 7 that the updated draft is the final approved version.
- The Action Plan includes hundreds of improvements – all of which we must implement by May 13, 2023.
- We will continue to update the Action Plan in response to additional RCAs from future monitoring surveys and if CMS requires any further changes.
- The Action Plan is our new blueprint for how we will accomplish CMS recertification and remain compliant and successful for the long term.



Path to Recertification



Monitoring Action Plan Progress

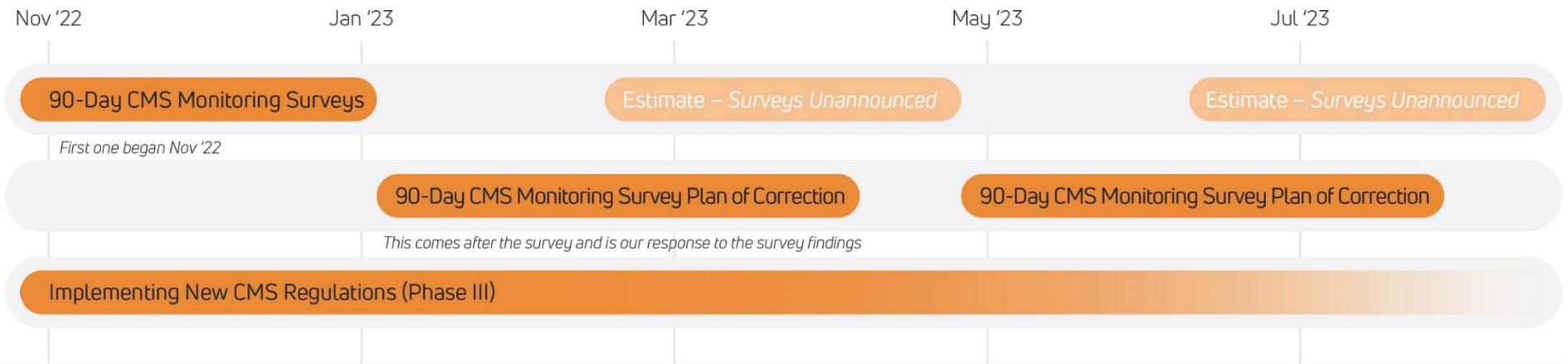
- Each month the QIE is required to report our progress to CMS. We must show that we are successfully completing all Action Plan milestones.
- **For the month of January, we successfully completed all 126 milestones due to the QIE. For the month of February, we successfully completed all 133 milestones due to the QIE.**
- Recently completed milestones include launching unit-based Quality Assurance Program Improvement (QAPI) beginning with the Wound and Nutrition and Psychotropic Medications sub-committees, training over 130 leaders to be fire response champions, developing a workplan to pilot consistent nursing staffing assignments, and creating education for nursing on medication safe storage, labeling, disposal and biologicals, and the management of med carts.



Laguna Honda Path to CMS Recertification

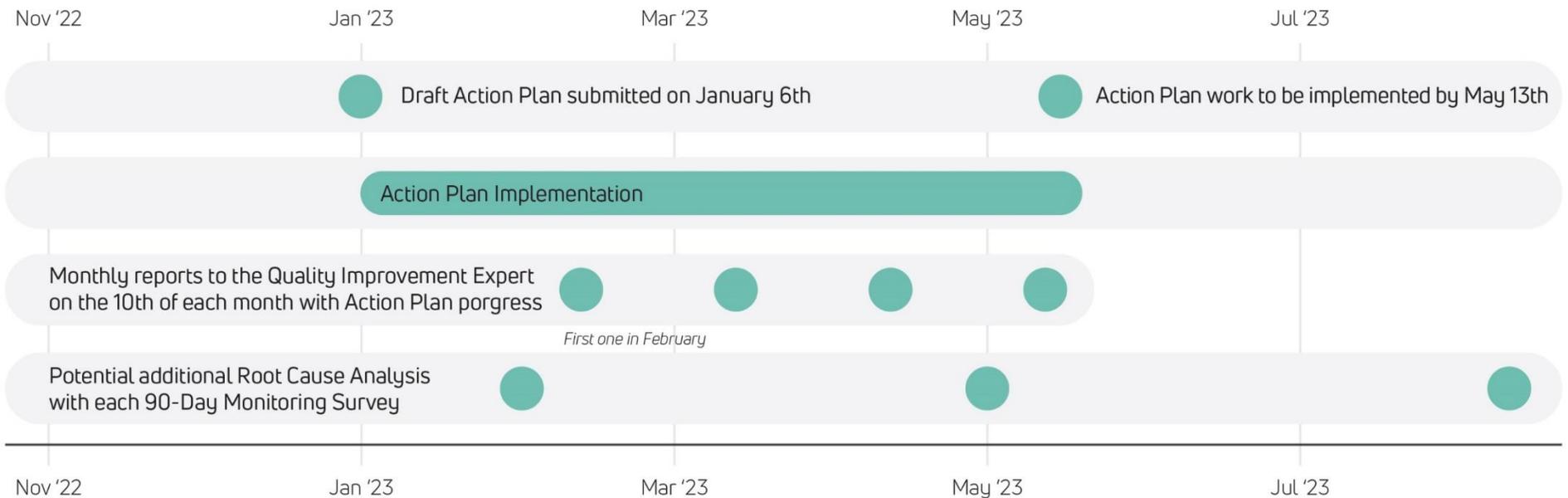
Survey Readiness

During 2023, we will host surveyors more frequently and for more extensive surveys. We will take on new projects to better align our facility with CMS regulations and skilled nursing facility best practices. These projects, which include ongoing Facilities and Capital Projects, will contribute to more successful surveys. Survey readiness includes daily clinical observation rounds and weekly executive staff leadership rounds.



Action Plan

The proposed Action Plan is our blueprint for how we will accomplish recertification and remain successful over the long term. The Action Plan was developed in response to the Root Cause Analysis, prepared by the Quality Improvement Expert. This was required as part of the settlement agreement.



Closure Plan



Updating the Closure Plan

- **On February 1, 2023, CMS agreed to the City's request to continue the pause of involuntary discharges and transfers of Laguna Honda residents until at least May 19, 2023.**
- Even though CMS has continued the pause of involuntary discharges and transfers, CMS still requires an approved revised closure plan.
- Laguna Honda submitted a draft revised closure plan to CMS on December 21st. CMS directed us to make changes, which we did. We then submitted an updated version on February 2nd. CMS has not yet accepted the revised closure plan.
- The revised closure plan, once accepted by CMS, will replace the plan that was suspended.





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